

EXHIBIT 1

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11
)	
W. R. GRACE & CO., et al.)	Case No. 01-01139 (JKF)
)	(Jointly Administered)
Debtors.)	
		Re: Docket No. 16071
		7/23/07 Agenda Item No. 12

**ORDER AUTHORIZING SETTLEMENT WITH
SEMPRA ENERGY, SAN DIEGO GAS & ELECTRIC, ENOVA CORPORATION AND
GRANTING CERTAIN RELATED RELIEF**

This matter coming before the Court on the "Motion of Debtors for Entry of an Order Authorizing Settlement of Claim filed by Asbestos PD Claimant Sempra Energy, San Diego Gas & Electric, Enova Corporation" (the "Motion") filed by the Debtors;¹ the Court having reviewed the Motion; the Court finding that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and (c) notice of the Motion was adequate under the circumstances; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein;

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED, with the following clarification: The Settlement Agreement provides that the Settlement Amount will remain confidential. Upon further consideration, the Debtors and the Claimant no longer request that the Settlement Amount remain confidential.

¹ Capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

2. The Settlement, a copy of which is annexed to the Motion as Exhibit A, is APPROVED.

3. The Debtors shall be, and hereby are, authorized to enter into the Settlement, and are authorized to execute, deliver, implement and fully perform any and all obligations, instruments, documents and papers and to take any and all actions reasonably necessary or appropriate to consummate the Settlement and perform any and all obligations contemplated therein.

4. The Asbestos Property Damage Claimants Committee and non-settling Asbestos PD claimants agree to defer and thus reserve the right to challenge the provision in Paragraph 15 of the Settlement that does not allow for the Settlement to be construed, offered or received by anyone for any purpose whatsoever, including, but not limited to an estimation proceeding under section 502(c) of the Bankruptcy Code or in respect of confirmation of a plan of reorganization; provided, however, that the Debtors preserve their right to object to any such use.

5. This Court retains jurisdiction to interpret, implement, and enforce the provisions of this Order subject to the provisions of the Settlement.

Dated: July 23, 2007


The Honorable Judith K. Fitzgerald
United States Bankruptcy Judge